

**GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
DEPARTMENT OF TELECOMMUNICATIONS**

**LOK SABHA
UNSTARRED QUESTION NO. 2724
TO BE ANSWERED ON 4TH DECEMBER, 2019**

DECLINE IN NUMBER OF CUSTOMERS OF BSNL AND MTNL

2724. SHRI M.K. RAGHAVAN:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) the reasons for the reported decline in the number of customers of Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) during the last three years;
- (b) whether the Government has conducted any study to understand and rectify drawbacks, if any, prevailing in the aforesaid Telecom companies and if so, the details thereof; and
- (c) whether the Government proposes to close the operation of these companies and promote their private counterparts and if so, the details thereof and the reasons therefor?

ANSWER

**MINISTER OF COMMUNICATIONS, LAW & JUSTICE AND
ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI RAVI SHANKAR PRASAD)**

- (a) Number of customers of Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) for the last three years is as under:

S. No.	PSU	Number of customers (in crore) as on		
		31.03.2017	31.03.2018	31.03.2019
1	BSNL	11.51	12.41	12.69
2	MTNL	0.71	0.69	0.67

Despite stiff competition, BSNL has managed to increase its customers. However, there is marginal decline in the number of customers of MTNL.

- (b) BSNL and MTNL are incurring losses since 2009-10. On the basis of their financial performance, BSNL and MTNL were classified by Department of Telecommunications (DoT) as “Incipient sick CPSE” in 2017 in accordance with the guidelines issued by the Department of Public Enterprises (DPE) and initiated the process for preparation of restructuring/revival plan for BSNL/MTNL. A comprehensive revival plan for BSNL/MTNL has since been approved by the Cabinet on 23.10.2019 which inter-alia, includes reduction in staff cost through voluntary retirement scheme (VRS), administrative allotment of spectrum to BSNL/MTNL for providing 4G services, monetization of assets of BSNL/MTNL, debt restructuring through sovereign guarantee bonds and in-principle approval for merger of BSNL and MTNL.

- (c) At present, there is no proposal to close the operations of BSNL and MTNL.
